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Letter dated 7 August 2017 from the Chair of the Security Council Committee pursuant to resolutions 1267 (1999), 1989 (2011) and 2253 (2015) concerning Islamic State in Iraq and the Levant (Da'esh), Al-Qaida and associated individuals, groups, undertakings and entities addressed to the President of the Security Council

I have the honour to transmit herewith the twentieth report of the Analytical Support and Sanctions Monitoring Team established pursuant to resolution 1526 (2004), which was submitted to the Security Council Committee pursuant to resolutions 1267 (1999), 1989 (2011) and 2253 (2015) concerning Islamic State in Iraq and the Levant (Da'esh), Al-Qaida and associated individuals, groups, undertakings and entities, in accordance with paragraph (a) of annex I to resolution 2253 (2015).

I should be grateful if the present letter and the report could be brought to the attention of the members of the Security Council and issued as a document of the Council.

(*Signed*) Kairat **Umarov**
Chair
Security Council Committee pursuant to resolutions 1267 (1999), 1989 (2011) and 2253 (2015) concerning Islamic State in Iraq and the Levant (Da'esh), Al-Qaida and associated individuals, groups, undertakings and entities

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Letter dated 30 June 2017 from the Analytical Support and Sanctions Monitoring Team in accordance with paragraph (a) of annex I to resolution 2253 (2015) addressed to the Chair of the Security Council Committee pursuant to resolutions 1267 (1999), 1989 (2011) and 2253 (2015) concerning Islamic State in Iraq and the Levant (Da'esh), Al-Qaida and associated individuals, groups, undertakings and entities

I have the honour to refer to paragraph (a) of annex I to resolution 2253 (2015), by which the Security Council requested the Analytical Support and Sanctions Monitoring Team to submit, in writing, comprehensive, independent reports to the Security Council Committee pursuant to resolutions 1267 (1999), 1989 (2011) and 2253 (2015) concerning Islamic State in Iraq and the Levant (Da'esh), Al-Qaida and associated individuals, groups, undertakings and entities, every six months, the first by 30 June 2016.

I therefore transmit to you the Monitoring Team's twentieth comprehensive report, pursuant to annex I to resolution 2253 (2015). The Team notes that the document of reference is the English original.

(*Signed*) Hans-Jakob **Schindler**
Coordinator
Analytical Support and Sanctions Monitoring Team

Twentieth report of the Analytical Support and Sanctions Monitoring Team submitted pursuant to resolution 2253 (2015) concerning ISIL (Da'esh), Al-Qaida and associated individuals and entities

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Summary

The threat from Islamic State in Iraq and the Levant (ISIL)[a] continues to evolve. Despite military pressure levied on the group in Iraq and the Syrian Arab Republic as well as other regions around the globe, the ISIL core is still capable of sending funds outside the conflict zone to its supporters. In addition, the organization continues to motivate and enable external attacks,[b] as demonstrated by the higher pace of attacks in Europe.

Al-Qaida and its affiliates in particular have demonstrated significant resilience in some areas, such as West Africa, East Africa and the Arabian Peninsula, and they retain stronger networks in their respective regions compared with ISIL affiliates operating in those areas. While the strategic competition between ISIL and Al-Qaida continues (see S/2016/629, paras. 1-3), fighters' shifting alliances and cooperation on the tactical level in several regions also allow them to move between various groups.

The threat in South-East Asia continues to rise. As outlined in the previous report of the Analytical Support and Sanctions Monitoring Team (see S/2017/35, paras. 59-63), ISIL wants to establish a foothold in the region. Recent events in the southern Philippines have demonstrated the seriousness of that threat.

The overall number of foreign terrorist fighters travelling to Iraq and the Syrian Arab Republic has continued to fall. In addition, the financial situation of the ISIL core continues to deteriorate, mainly as a result of to the sustained military pressure levied upon the group.

[a] Listed as Al-Qaida in Iraq (QDe.115).
[b] Attacks conducted outside ISIL-controlled territory and the conflict zones.

I. Overview of the threat

A. Evolving threat from Islamic State in Iraq and the Levant and Al-Qaida

1. The threat emanating from ISIL is evolving. At the same time, Al-Qaida has demonstrated that it remains a significant threat in several regions around the globe. The ISIL core in Iraq and the Syrian Arab Republic continues to adapt to the sustained military pressure levied upon it, delegating decision-making responsibility downwards to local commanders and switching to encrypted communication (see S/2017/35, paras. 16-17). It also continues to emphasize external attacks perpetrated by its members and sympathizers as part of its response. In addition, Al-Qaida networks remained resilient. In West Africa, the Organization of Al-Qaida in the Islamic Maghreb (AQIM) (QDe.014), along with some of its splinter groups, formed a new coalition called Jama'at Nusrat al-Islam wal-Muslimin or the Group for the Support of Islam and Muslims (GSIM).

B. Islamic State in Iraq and the Levant: flow of money and individuals

2. Despite military pressure and falling revenues, the ISIL core continues to send funds to its affiliates worldwide, using a combination of money or value transfer services and the transport of bulk cash.[1] The ISIL core has also sent money to places where it does not have affiliates, which according to a Member State assessment, is an attempt to prepare for its eventual military defeat in the Syrian Arab Republic and Iraq (see S/2017/467, para. 13). The transfers of funds are often broken down into small amounts, thus making them harder to detect.[2] In certain cases, ISIL uses professional couriers who are paid for their services and are selected on the basis of their nationality and ability to travel to specific countries.[3] However, the movement of those funds is very dependent on transit routes, and many of those routes are now being cut off.[4] ISIL has also increasingly urged its affiliates to become more financially self-sufficient (see S/2017/467, para. 12). Nonetheless, ISIL will likely continue to fund its affiliates as long as it has the means to do so.[5]

C. Returnees and relocators

3. In addition to efforts by the ISIL core to transfer funds out of Iraq and the Syrian Arab Republic, the group may also aim to place individuals around the globe. One Member State explained that individuals leaving the conflict zone seem to have been briefed in detail on how to act when they encounter Government authorities, in an apparent attempt to ensure that they will not be deported to countries where they may be arrested. That may indicate a deliberate attempt by ISIL to establish a presence in different regions through those relocators.

4. Returnees present a different challenge. Several Member States explained that returnees generally fall into three broad categories. The first category includes returnees who are disenchanted by ISIL as a group and terrorism as an ideology and therefore can potentially be deradicalized and reintegrated. The second much

[1] Member State information.
[2] Member State information.
[3] Member State information.
[4] Member State information.
[5] Member State information.

smaller category includes individuals who return with the specific aim of conducting terror attacks and therefore present a high risk to Member States. The third category is the most difficult to identify as it includes individuals who have clearly cut ties with ISIL after being disillusioned by ISIL as an organization. However, those individuals remain radicalized and are ready to join another terrorist group should the opportunity arise. Those individuals present a particular challenge as they pose a threat without concrete indications of current connections to terrorist groups.

II. Regional trends

A. Europe

5. During the reporting period, the ISIL core continued to enable and inspire attacks in Europe. In the first half of 2017, ISIL had already publicly claimed several attacks in Europe, demonstrating that Europe remained a priority region for external attacks by ISIL supporters.

6. However, thus far in 2017, ISIL has not conducted large-scale directed attacks[6] in Europe. All major attacks in Europe during the reporting period were ISIL-enabled attacks with at least some prior link to the ISIL core. For those involved in such attacks, investigations uncovered links to radical support networks established in Europe or within the conflict zones. The case of Rachid Kassim[7] (not listed) is a concrete example of such an operational network.

7. ISIL attacks were regularly concentrated on law enforcement and military personnel, as well as on soft targets, such as subway stations in Saint Petersburg, Russian Federation, on 3 April 2017 and a concert in Manchester, United Kingdom of Great Britain and Northern Ireland, on 22 May. Those attacks sometimes combined various modi operandi, such as the use of vehicles and knives, as demonstrated during the attacks on civilians in London on 22 March and 3 June. By using basic tools, the attackers have been following the instructions of the late Abou Mohamed Al Adnani (QDi.325), who, starting in 2014, had recommended such methods. However, certain attacks, such as those in Saint Petersburg, Manchester and Brussels, also used improvised explosive devices. Those attacks followed the use of improvised explosive devices in the Paris and Brussels attacks in 2015 and 2016, as well as in foiled attacks in some European countries.

8. ISIL has used social media to urge its supporters in Europe, both returnees and individuals who had not travelled to the conflict zones, to conduct attacks in their countries of residence. The group continues to disseminate various makeshift attack methodologies and designs for improvised explosive devices.

9. The flow of foreign terrorist fighters from Europe to the conflict zones continued to slow during the reporting period. In Europe, Member States have significantly increased the exchange of information on foreign terrorist fighters through the European Union Agency for Law Enforcement Cooperation and/or the International Criminal Police Organization (INTERPOL). However, the continuing

[6] Directed attacks are defined as attacks in which the ISIL core is involved in detailed planning and decision-making concerning the respective plot, sends fighters from the conflict zone to support the attack and provides financial resources to the attackers.

[7] Rachid Kassim is a French foreign terrorist fighter and a member of ISIL. He was involved in the organization of several attacks and attempted attacks in France. See, for example, "Antiterrorisme: un soutien du djihadiste Rachid Kassim arrêté à Roanne", *Le Progrès.fr*, 2 May 2017. According to open sources, he was reported killed in Mosul, Iraq, in February 2017. See also Thomas Gibbons-Neff, "Rachid Kassim, ISIS recruiter and failed rapper, targeted in U.S. air strike", *Washington Post*, 10 February 2017.

efforts of ISIL followers in Europe to conduct attacks demonstrate the potential for ISIL to recruit and motivate followers in Europe. Those attacks involved both individuals who were prevented from travelling to the conflict zones and individuals who had no prior intention to travel.

10. Some Member States reported an increase in radicalization and violent extremism linked to ISIL networks in Europe. In addition, Member States highlighted the risk of sports clubs and prisons becoming recruitment grounds and the need to work on specific deradicalization programmes in that regard. In addition, the risk of radicalization of individuals working within critical infrastructure was emphasized.

11. Member States highlighted the importance of recognizing that some women were also involved in fighting in the conflict zones and may continue to present a threat upon return. Some Member States drew attention to the issue of children. Those born in conflict zones often do not have documentation, which presents challenges when establishing their legal identity.

12. One Member State highlighted the steady increase in the number of minors leaving the conflict zones. Their experiences, including participation in training and extreme violence and radicalization during their time in the conflict zones, depending on their age, require specific attention and strategies that take into account the legal protections afforded to minors.

13. Member States continue to report that European foreign terrorist fighters present an income stream for ISIL. The main methods of raising funds include property crime, public benefit fraud, leasing contract and consumer loan fraud, financial crime, such as value-added tax fraud, and the collection of donations, including through social media.[8] Some of this criminal activity may represent a vulnerability for the extremists, given that law enforcement agencies may be able to prosecute them for lesser offences when it is difficult to secure evidence to charge them with terrorist crimes.

B. Levant

14. During the reporting period, ISIL continued to be under sustained military pressure in Iraq and the Syrian Arab Republic, where it continues to lose territory. According to several Member States, key leaders of the group had left Mosul, Iraq, prior to the attack of the Iraqi forces with the support of the counter-ISIL coalition on the city. In the same vein, two Member States reported that key ISIL personnel had left Raqqah, Syrian Arab Republic, apparently in anticipation of increased military pressure, air strikes and a potential attack on the city.

15. As previously reported by the Team (see S/2017/35, para. 13), ISIL has demonstrated significant resilience in the battle for Mosul. However, the group is steadily losing control within the city. Nevertheless, according to Member States, ISIL has used improvised explosive devices, placed in tunnels and houses, and continues to use civilians as human shields (see S/2017/35, para. 15).

16. Resistance by ISIL in Mosul also indicates that its command and control structure has not broken down completely and that the group remains a significant military threat. Member States expect that the group will also continue to adapt its command and control structure (see S/2017/35, para. 16). According to a Member State, one potential scenario is that the territory controlled by ISIL will break up into smaller areas and eventually the group will restructure into cells without an overall command structure.

[8] Member State information.

17. In an apparent response to its loss of territory in Iraq, ISIL continues to perpetrate terror attacks there, in particular in Baghdad. For example, the group conducted several suicide attacks in Baghdad and Basrah on 19 May 2017, killing more than 50 people. In Baghdad, terror operations are conducted by ISIL cells using vehicle-borne improvised explosive devices and targeted assassinations.

18. According to a Member State, ISIL has experienced challenges in obtaining high-quality equipment, but the group may maintain the capacity to manufacture some equipment, such as rocket launchers, and to assemble improvised explosive devices on a larger scale (see S/2017/467, para. 4). In addition to using commercially available drones, ISIL has developed the capacity to modify them and to build its own models, using recycled parts from commercially available drones. Several Member States highlighted that the group uses drones in sophisticated ways for filming propaganda material, observation, targeting indirect fire and carrying and dropping small bombs and improvised explosive devices. In some instances, ISIL has also crashed drones laden with explosives into attacking forces.

19. Several Member States have pointed out that the number of ISIL fighters in Iraq and the Syrian Arab Republic has decreased. However, owing to the fluid military situation, it is difficult for Member States to provide concrete estimates of the total number of ISIL fighters in the two countries. It is not clear how many fighters have crossed the border or whether there is any potential for friction between the Syrian and Iraqi elements within ISIL.

20. Several Member States emphasized that, while ISIL continues to lose physical territory, its online presence and activities continue to pose a significant threat. That allows the group to recruit and enable attacks across various regions in a less visible manner. As far as ISIL propaganda is concerned, military pressure clearly has had an impact. For example, the ability of ISIL to translate its propaganda is decreasing. One Member State emphasized that the quality and quantity of propaganda output has declined, especially in English.

21. The sources of financing for the ISIL core have not changed significantly since the Team's previous report, and the group continues to rely primarily on revenue from the territory it controls, most notably by selling oil and "taxing"/extorting the population (see S/2017/467, para. 7). However, its revenue from hydrocarbon resources has been reduced significantly. In addition, the group has increasingly limited capacity to maintain the operation of the oilfields under its control.[9] With its declining revenues, ISIL is undertaking strategic planning to mitigate the effects of both military and financial measures targeting its income.[10] It is exercising financial restraint by decreasing spending, including on salaries, and is spending its remaining funds on military action (see S/2017/467, para. 9). It also continues to retain cash stores and valuable artefacts.[11] As noted above, it has also moved funds out of the Syrian Arab Republic and Iraq to "safe locations", in order to have reserves to draw on at a later date, but the extent of such transfers is unclear.[12]

22. According to a Member State assessment, in order to generate funds in the future, ISIL may draw upon the expertise of its members to establish business ventures locally and beyond the Syrian Arab Republic and Iraq, and as reconstruction and development aid is delivered to areas formerly under ISIL control, it may attempt to take advantage of that new liquidity (see S/2017/467, para. 16). Many of the current

[9] Member State information. Two Member States indicated that ISIL was able to obtain spare parts and equipment for its oil fields.
[10] Member State information.
[11] Member State information.
[12] Member State information.

ISIL business ventures are in areas relevant to the material needs of the group, such as food and automobiles.[13]

23. In addition, the group could experience a shortage of agricultural products and supplies. As of March 2017, in the Syrian Arab Republic, the total surface area dedicated to agriculture in the region between Raqqah, Tall Abiad, Hasakah and Dayr al-Zawr, which includes territories under ISIL control, had decreased to approximately 60 per cent of the total area cultivated between 2015 and 2017. The reduction is particularly pronounced in the area around the city of Raqqah.[14]

24. According to several Member States, the Al-Nusrah Front for the People of the Levant (ANF) (QDe.137) remains one of the most prominent Al-Qaida affiliates within the group's global network. Several Member States indicated that the new alliance of ANF with several Syrian groups, called Hay'at Tahrir al-Sham, at the beginning of 2017, which followed the renaming of ANF as Jabhat Fatah al-Sham[15] in 2016, has not fundamentally changed the character of the group. Within the group, two factions continue to compete for influence. One faction aims to highlight aspects of the local fight in the Syrian Arab Republic, while the second faction, mainly dominated by foreign terrorist fighters, emphasizes the importance of external attacks and views the group as being part of the global Al-Qaida network.

25. According to the assessment of Member States, the merger allows ANF to reinforce its local influence and its outreach to various other groups. As an outcome of this new alliance, the group could strengthen its military presence and become a larger organization. Therefore, the group remains a significant threat. However, it is not yet clear how sustainable the new alliance will be. Previous mergers between factions have often been opportunistic and short-lived.

26. ANF generates money internally in addition to benefiting from external donations.[16] It engages in kidnapping for ransom and extortion and controls checkpoints, at which it charges "fees".[17]

C. Arabian Peninsula

27. The Arabian Peninsula faces a significant threat from the continuous presence and activity of Al-Qaida in the Arabian Peninsula (AQAP) (QDe.129) and ISIL in Yemen. Member States expressed concern over terrorist operations in the southern and eastern parts of Yemen, along with ongoing planning to conduct terrorist attacks in the wider region targeting regional and "western" interests. Growing numbers of both AQAP and ISIL fighters in the eastern province of Mahrah are a source of concern for neighbouring countries, in particular in the context of the potential defeat of the ISIL core in the Syrian Arab Republic and Iraq, which could result in increased numbers of returnees and relocators. Regional Member States are monitoring the return or relocation of foreign terrorist fighters to Yemen and other locations in the region, and they assess that there is an ongoing risk of clandestine infiltration of fighters by way of the coast of the Arabian Peninsula.[18]

28. A Member State observed that over 30 ISIL-related terrorist plots have been disrupted in the region, including a June 2017 plot targeting the Grand Mosque, in

[13] Member State information.
[14] Satellite imagery-based analysis provided to the Monitoring Team by the Operational Satellite Applications Programme of the United Nations Institute for Training and Research.
[15] Listed as an alias of QDe.137.
[16] Member State information.
[17] Member State information.
[18] Member State information.

Mecca, and Jeddah, Saudi Arabia.[19] The respective cells operated in separate, individual clusters and targeted religious officials, security forces, civilian districts and economic and military targets. Member States assessed that AQAP members, who are wanted by the security authorities of several Member States, are fleeing to Yemen for safe haven. Once in Yemen, those individuals maintain communication channels with their home countries through social media platforms and are able to energize potential sympathizers abroad.[20] On the basis of action taken by the Government of Iraq, which published a list of more than 100 ISIL-related money exchange and transfer companies in Iraq and excluded them from the currency auctions of the Central Bank of Iraq, Saudi Arabia issued a ban on any dealings with those money exchange and transfer companies within the country.[21]

29. A Member State confirmed the withdrawal of AQAP from cities in Hadramawt and southern Yemen. Those withdrawals kept the group in a defensive posture and disrupted the flow of foreign terrorist fighters into Yemen. AQAP is experiencing challenges in procuring financial resources and is struggling to pay monthly salaries to its fighters.[22] However, the group continues to benefit from support provided by members of Yemeni tribes.[23] AQAP has lost much of its momentum and strength in Yemen, including its northern strongholds, and is currently operating through scattered cells in the southern provinces of Ma'rib, Al Bayda', Shabwah and some parts of the Hadramawt desert.[24]

30. According to Member States, the group is currently led by Qasim Mohamed Mahdi Al-Rimi (QDi.282), and continues to cooperate and exchange expertise and fighters with Harakat Al-Shabaab Al-Mujaahidiin (Al-Shabaab)[25] in Somalia. That cooperation is led by a French national, Peter Cherif (QDi.376).[26] As an expression of its increased outreach to Al-Qaida affiliates in Africa, in April 2017, the AQAP digital newspaper *Al-Masra* included an interview with Iyad Ag Ghali (QDi.316), the leader of the newly formed coalition of various Al-Qaida affiliates in the Sahel region called "Nusrat al-Islam wal-Muslimin" or the Group for the Support of Islam and Muslims (GSIM).[27] AQAP also plays a central role in the global propaganda operations of Al-Qaida.[28] The importance of AQAP for Al-Qaida is also demonstrated by a statement of Hamza bin Laden, the son of Osama bin Laden (deceased). In his statement, published by Al-Sahab Media Foundation, he referred potential terrorist attackers to AQAP and its *Inspire* magazine for guidance and encouraged Al-Qaida sympathizers to join AQAP training camps in Yemen.[29]

[19] "Five arrested after Saudi security forces foil attack on Grand Mosque in Mecca", *Al Arabiya English*, 23 June 2017.

[20] Member State information.

[21] Member State information.

[22] Member State information.

[23] Member State information.

[24] Member State information.

[25] Al-Shabaab was accepted as an affiliate of Al-Qaida (QDe.004) by Aiman Muhammed Rabi al-Zawahiri (QDi.006) in February 2012, and is also subject to the sanctions measures set out in Security Council resolution 1844 (2008) concerning Somalia and Eritrea (see www.un.org/sc/suborg/en/sanctions/751).

[26] Member State Information.

[27] Republished on Telegram on 3 April 2017 from the 45th issue of *Al-Masra*, the digital newspaper linked to Al-Qaida in the Arabian Peninsula (AQAP), containing an interview of the leader of the newly-formed branch of Al-Qaida in the Islamic Maghreb (AQIM) in Mali.

[28] See for example, a video posted on Telegram on 7 May 2017, entitled, "A lone mujahid or an army by itself", produced by Al-Malahem Media Foundation and also branded as a production of the AQAP online magazine *Inspire*. See also a video released on Telegram on 20 May 2017, entitled "Dominion of the best of the ummah in the uprising of the people of the sacred house", produced by Al-Sahab Media Foundation of Al-Qaida.

[29] "Advice for martyrdom-seekers in the West", Al-Sahab Media Foundation, 13 May 2017.

31. According to several Member States, ISIL remains the weaker force compared to AQAP within the Arabian Peninsula. Member States assess that this is due to the lack of support for ISIL among the local tribes (see S/2017/35, para. 32). Nevertheless, ISIL retains the ability to conduct sporadic terror attacks throughout the Arabian Peninsula. In April 2017, an ISIL bulletin announced the opening of two training camps in Weld Rabi'a, in Bayda' Province, Yemen. Those camps are used to train fighters for suicide operations and in using new heavy weapons, including sniper classes for elite fighters during the month of Ramadan in 2017.[30] The ISIL core also sends funds to its affiliate in Yemen.[31]

D. Africa

1. North Africa

32. ISIL in Libya continues to adapt to the situation resulting from its ousting from Sirte. To date, the group has not been able to re-establish territorial control in any part of the country. According to several Member States, the remainder of the group's fighters continue to regroup in small and dormant cells in the southern and western parts of the country, as well as in the coastal cities of Benghazi, Sirte, Zawiyah and Sabratah. Furthermore, according to a Member State, ISIL continues to benefit from logistical support from Al-Qaida affiliates, who have also supported attacks by ISIL.[32] According to a Member State, some ISIL fighters fled to the country's southern border after the group's failure to defend Sirte during a series of air strikes. According to the assessment of that Member State, those fighters are reorganizing with the goal of returning to the east of Libya and attacking targets in Libya and Egypt.

33. During the first half of 2017, ISIL cells claimed several attacks in Libya. On 7 May, ISIL in Libya claimed an ambush south of Sirte, which "killed and wounded several" members of Government forces,[33] while intermittent clashes are ongoing in Benghazi between Libyan National Army forces and ISIL groups, along with other groups operating under the banner of the Benghazi Revolutionaries Shura Council.[34] Meanwhile, Ansar Al Charia Libya announced its dissolution on 27 May 2017.[35]

34. ISIL in Libya finances itself through extortion, using improvised checkpoints, including by obtaining payments from smugglers and human traffickers, and currently appears to be largely self-sufficient.[36]

35. In neighbouring Tunisia, the threat from both ISIL and Al-Qaida continues to be a source of concern, along with the threat posed by Tunisian returnees from Libya after ISIL setbacks there. A Member State estimated the number of ISIS fighters in Libya at between 400 and 700 and indicated that the Tunisian region of Kasserine and the Libyan-Tunisian border area of Ben Gardane continue to be destinations for both returnees and relocators. Affiliates of both ISIL and Al-Qaida continue to target Government forces. The Uqba bin Nafi Battalion, the Tunisian branch of AQIM, perpetrated two attacks in March and April 2017 using landmines against Tunisian soldiers in the Mount Chambi and the Mount Ouargha regions, causing several injuries.

[30] On 4 June 2017, in Bayda' Province, a division of Islamic State in Yemen published a photo report showing a sniper training camp in the country's Qifa area.

[31] Member State information.

[32] Adam Nathan, "ISIL regrouping in southern Libya with support of al-Qaeda and preparing for further attacks", *Telegraph*, 1 March 2017.

[33] Report published on the website of the Amaq News Agency on 7 May 2017.

[34] Member State information.

[35] The announcement was made through a statement published by Al-Rayah Media Foundation.

[36] Member State information.

36. In Egypt, the threat from Ansar Bayt al-Maqdis (ABM), which has sworn allegiance to ISIL (see S/2017/35, para. 41), continues to be high, despite significant efforts by counter-terrorism forces. The group has continued its campaign of deadly attacks throughout Egypt, albeit without being able to establish territorial control. It appears to have injected itself into the smuggling routes in part of the Sinai Peninsula.[37] In addition to attacks targeting security forces, ABM has been manifestly attempting to stir up a sectarian divide by targeting Egypt's Coptic community, as demonstrated by the attacks on two churches in the cities of Alexandria and Tanta on 9 April 2017, which resulted in 32 fatalities, and the attack on buses carrying Coptic Christians on 26 May, killing at least 28 individuals. According to a Member State, some members of ABM have moved to Libya and associated themselves with a small group named Jamaat Al-Murabiteen. A Member State has also traced a movement of funds from Libya to ABM.

2. West Africa

37. Al-Qaida affiliates remain resilient and present a significant threat to Mali and, to a lesser extent, the Sahel region. That has been the case in particular following the merger of AQIM, one faction of Al-Mourabitoun (QDe.141),[38] Ansar Eddine (QDe.135) and Front de Libération du Macina, to create GSIM in March 2017. The rebranded group is led by Iyad Ag Ghali (QDi.316) whose movement in the north of Mali and in the border areas with Algeria is facilitated by his strong local support.[39] Since its rebranding, the group has claimed several attacks.

38. The spread of the terrorist threat to the centre and the south of Mali has continued since 2016 (see S/2017/35, para. 42), as demonstrated by terror attacks against the Malian population, Government representatives and tourists. Despite the formal consolidation of the various groups under GSIM, one Member State highlighted that each group within the new coalition has continued to keep its own area of influence and action.

39. The merger also seems to have increased the knowledge and military capacities of the various groups. According to Member States, some heavier weapons, such as mortars and shells, and more sophisticated improvised explosive devices have been used since the establishment of GSIM. The situation concerning the supply of components for improvised explosive devices remains unchanged. According to Member States, the supply entails both military and civilian components.[40]

40. According to Member States, Al-Qaida affiliated groups continue to attack military forces and have developed intelligence capacities to monitor the movements of the security and military patrols and conduct complex attacks. Member States highlighted that most of the fatalities are among the local military and law enforcement forces, which have been targeted through ambushes, vehicle-borne improvised explosive devices and firearms attacks. Member States also reported increased indirect attacks involving shells and mortars, in particular against military and international camps, such as the recent attacks in Timbuktu and Kidal, Mali, in May and June 2017.

[37] Member State information.

[38] Al-Mourabitoun has split into two factions, one remains loyal to Al-Qaida while one has declared loyalty to ISIL (see S/2017/35, para. 43).

[39] Member State information.

[40] Mainly fertilizer to produce explosive material.

41. Kidnapping for ransom remains a significant source of income for AQIM, and the group continues to hold hostages.[41] The group has also spent many years penetrating smuggling networks and earns money by controlling smuggling routes.[42]

42. Member States assess that ISIL remains relatively weak and that only around 100 fighters operate in the region. However, Member States pointed out that ISIL may be able to benefit from the support of several hundred sympathizers in the region.

43. In northern Nigeria, in particular in the Maiduguri area, and in the Lake Chad region, both Boko Haram (QDe.138) and Islamic State West Africa Province (ISWAP), led by Abu Musab al-Barnawi (not listed),[43] continue to conduct suicide attacks against soft targets. Several Member States reported that, over time, ISWAP could gain a dominant position compared with the faction of Boko Haram led by Abubakar Mohammed Shekau (QDi.322). The ISIL core views ISWAP under the leadership of al-Barnawi as more reliable.[44]

44. There are signs of outside financing of ISWAP, since the group would not be able to operate on only internally generated income.[45] It has received some funding from the ISIL core, but is nonetheless under financial strain.[46]

3. East Africa

45. The East Africa region faces terrorist threats from both the Al-Qaida affiliate Al-Shabaab and ISIL affiliates operating in Puntland and parts of southern Somalia. Al-Shabaab, which has approximately 6,000 to 9,000 members, presents the greatest threat. Several Member States observed that Al-Shabaab has adequate finances, weapons and fighters at its disposal. It also controls some territory and has a well-managed and efficient organizational structure.

46. The frequency and severity of attacks by Al-Shabaab in Somalia and in neighbouring States demonstrate its enhanced operational and technical capability to conduct attacks. Since 2016, Al-Shabaab's bomb-making capabilities have improved, as it has used mainly heavy trucks as vehicle-borne improvised explosive devices and acquired training in the assembly and deployment of improvised explosive devices.[47] Consequently, since 2015, Al-Shabaab has conducted 10 attacks on the African Union Mission in Somalia (AMISOM) and Somali National Army bases,[48] several attacks on hotels and Government facilities and officials in Mogadishu, and multiple cross-border attacks into Kenya and other neighbouring countries.[49] According to Member States, Al-Shabaab twice attempted to use laptop explosive devices, first in an attack on a Daallo Airlines plane in February 2016, then at Beledweyne Airport in March 2016, where a laptop detonated during luggage screening.

47. Al-Shabaab continues to fund its operations from forced *zakat* "taxation", levies at checkpoints and road blocks, covert businesses and donations from supporters and sympathizers in Somalia, Europe and the Middle East. A Member State reported that, in 2016, Al-Shabaab generated more than $50 million. In addition, several Member

[41] Member State information.
[42] Member State information.
[43] An ISIL affiliate formed by fighters from Boko Haram. The second Boko Haram faction is led by Abubakar Mohammed Shekau (QDi.322) (see S/2017/35, para. 45).
[44] Member State information.
[45] Member State information.
[46] Member State information.
[47] Member State information.
[48] Including attacks on bases of the African Union Mission in Somalia in Leego and Jannaale in 2015, Ceel Adde and Halgen in 2016 and Kolbiyow in 2017.
[49] Member State information.

States observed that Al-Shabaab possesses sufficient weaponry, which has been acquired from the black market, illegal shipments from Yemen and seizures from AMISOM bases.

48. Meanwhile, ISIL factions in Somalia continue to evolve as recognizable terrorist actors, likely to conduct attacks in Somalia and neighbouring States to attract local and international attention. Despite Al-Shabaab efforts to eliminate ISIL supporters (see S/2017/35, para. 49), increased activities, plans and propaganda have been reported by some Member States. The number of ISIL members is estimated to be between 300 and 400, mainly comprising Somalis and foreign terrorist fighters from East African countries. Around 70 per cent of ISIL fighters are Al-Shabaab defectors.[50] Sheikh Abdikadir Mumin (not listed) leads a faction of about 200 fighters, which continues to operate from Golis and the Galgalo Mountains and, more recently, from Boosaaso in Puntland. Abu Naaman (not listed) leads another ISIL faction in Jubaland in southern Somalia with about 100 to 150 fighters.[51] These factions are dispersed throughout southern Somalia and include new recruits and defectors from Al-Shabaab who joined ISIL a few years ago and have since regrouped.

49. ISIL in Somalia is dependent on support from sympathizers within Somalia and affiliates in Yemen and Libya. A Member State assessed that in 2016, ISIL in Somalia received weapons from Yemen and funds and trainers from Libya. Another Member State observed that ISIL in Yemen continues to coordinate the establishment of ISIL in East Africa, mediates between affiliates in Somalia and Yemen and facilitates fighters leaving Al-Shabaab to join ISIL.

50. Several Member States have observed three categories of foreign terrorist fighters in Somalia: those of Somali descent who are citizens of "western" countries; those of European, Yemeni and Arab descent; and foreign terrorist fighters from East Africa. Some Member States faced challenges in estimating the total number of foreign terrorist fighters and returnees but highlighted that recruitment, radicalization and movements to conflict zones by foreign terrorist fighters continue.

51. ISIL in Somalia is recruiting mainly from the ranks of Al-Shabaab and is urging foreign terrorist fighters fleeing conflict zones in other regions and those unable to travel there to consider Puntland as an alternative. In some instances, organized crime networks are collaborating with terrorist recruiters. One Member State indicated that some traffickers operating in Baidoa, Mogadishu, Beledweyne and Boosaaso are collaborating with terrorist recruiters. Similarly, another Member State assessed that a kidnap-for-ransom group named "Magafe" operates in Libya and is collaborating with ISIL in Somalia.

E. Central and South Asia

52. Central Asian countries are concerned that they face an increasingly diverse threat from Al-Qaida and ISIL (see S/2017/409, para. 32). Despite having been degraded by Afghan and international military operations, ISIL in Afghanistan has intensified its competition with the Taliban and aims to expand. The ISIL core has specifically instructed the group to push towards the north of Afghanistan. However, despite its recruitment efforts over the past three years, the group has not yet established a viable fighting force there. The Taliban, through the Al-Qaida core, continues to wield substantial influence over regional Al-Qaida affiliates. Many Al-Qaida-affiliated fighters from the Afghanistan-Pakistan border area have integrated into the Taliban, leading to a marked increase in the military capabilities of the

[50] Member State information.
[51] Member State information.

movement. One Member State assessed that currently more than 7,000 foreign terrorist fighters are fighting in Afghanistan for the Taliban and Al-Qaida affiliates.

53. Central Asia remains one of the principal regions from which foreign terrorist fighters active in Iraq and the Syrian Arab Republic hail. However, according to Member States, travel of new fighters from the region to the conflict zones has been slowed owing to disruptive operations by law enforcement agencies and measures to counter radicalization and recruitment. Member States explained that the region has a large number of young and unemployed individuals who, coupled with a strong culture of emigration, are vulnerable to recruitment. Families left behind by labour migrants are in the most vulnerable situation, while women increasingly become labour migrants themselves and leave children unattended. Member States are concerned that returning foreign terrorist fighters, if not subject to risk-based screening, consistent monitoring and meaningful rehabilitation, might bring terror home. Some relocators originating from Central Asia have already been involved in terrorist attacks in Turkey, the Russian Federation and European countries.

54. According to Member States, the Islamic Movement of Uzbekistan (IMU) (QDe.010), which used to be the leading Central Asian Al-Qaida affiliate, has been depleted and dispersed in northern Afghanistan,[52] which prompted other, smaller terrorist groups to recalibrate their relations with the IMU. Meanwhile, according to the assessment of Member States, the ISIL presence in eastern and potentially in northern Afghanistan could provide a new umbrella for fighters seeking to conduct attacks in Central Asia.

55. In South Asia, the Al-Qaida core continues to compete with ISIL for dominance over terrorist groups in the region. ISIL in Afghanistan tends to enlist partners of convenience and "outsources" terrorist attacks to other groups such as Lashkar i Jhangvi (LJ) (QDe.096) and Jamaat-ul-Ahrar (JuA), a Tehrik-e Taliban Pakistan (TTP) (QDe.132) splinter group (see S/2017/467, para. 29). The Al-Qaida core and its regional affiliates continue to actively cooperate with the Afghan Taliban in return for sanctuary and operating space (see S/2017/409, paras. 14-16). Furthermore, by embedding itself within the Taliban movement, the Al-Qaida core also aims to maintain local bases of influence as a part of the wider Afghan insurgency and receives operational support from the Taliban for its regional affiliate, Al-Qaida in the Indian Subcontinent (AQIS). According to one Member State, AQIS comprises around 200 fighters, who operate as advisers and trainers of the Taliban in southern Afghanistan. Individuals associated with the Al-Qaida core are active in Paktika, Paktiya, Khost, Kunar and Nuristan provinces of Afghanistan. Aiman Muhammed Rabi al-Zawahiri (QDi.006) is still assumed to be in the Afghanistan-Pakistan border region (see S/2017/409, para. 17).

56. Over the past six months, the military operations of Pakistan have continued to substantially deplete the capability of Al-Qaida affiliates and squeeze their presence across the country. Over the same period, many key figures within the Al-Qaida core, such as Rifa'i Taha, and Abu al-Khayr al-Masri, deputy to Al-Zawahiri, were killed in the Syrian Arab Republic. A Member State confirmed that under the order of the Al-Qaida core, several Al-Qaida second-tier leaders had left South Asia for the Syrian Arab Republic. This is in line with the continued ambition of the Al-Qaida core to play a more direct role in that ongoing conflict and use it to further its agenda. In a video released on 23 April 2017, Al-Zawahiri tried to inject Al-Qaida ideology into the ongoing fight, with the aim of expanding its support base and rebuilding its regional network in the aftermath of a potential collapse of ISIL in Iraq and the Syrian Arab Republic. In the video, he directly addressed fighters in the Syrian Arab Republic, painting the Syrian conflict as part of the global fight against the "crusader enemy"

[52] However, one Member State reported that the group still included around 2,000 fighters.

and urging them to reject nationalist sentiment and wage a protracted guerrilla war against the Government of the Syrian Arab Republic.

57. The ISIL core continues to fund ISIL in Afghanistan.[53] Sometimes the financial flows are robust and other times they run dry. In the assessment of one Member State, ISIL in Afghanistan would not exist without support from the ISIL core. However, the ISIL core has instructed its affiliate in Afghanistan to begin to develop its own internal funding sources.[54]

F. South-East Asia

58. In previous reports (see S/2016/629 and S/2017/35), the Team outlined the rising threat from ISIL-linked groups operating in South-East Asia, and the situation in the region remains precarious. This is most notable in the southern Philippines, where a group loyal to ISIL has laid siege to Marawi City since the end of May 2017, resulting in fierce battles with Philippine forces. While terrorist groups in South-East Asia are believed to be ideologically divided on ISIL, its propaganda messaging and the so-called "caliphate" have resonated with extremists in the region, especially with the younger generation.[55] At least seven attacks in 2016 targeting Malaysia, Indonesia and the Philippines can be attributed to pro-ISIL militants.[56] More recently, the attempted takeover of Marawi City and twin suicide bombings in East Jakarta in May 2017[57] signal that ISIL supporters are becoming more brazen. In addition, many ISIL-related plots have been disrupted by the authorities, while pro-ISIL groups and individuals continue to plot further attacks, focusing primarily on soft targets, law enforcement and perceived "western" and Government interests.[58] Attempts to mount mass casualty attacks are expected, in particular as ISIL continues to lose territory in the Syrian Arab Republic and Iraq.[59]

59. The Maute Group has emerged as a dominant force among the many factions that have pledged allegiance to ISIL.[60] The group is named after its leaders, the brothers Omar and Abdullah Maute (both not listed).[61] Besides its core membership of a few hundred, the Maute Group is empowered by local sympathizers and supporters within clan networks.[62] The siege of Marawi City by ISIL-linked militants, which has resulted in tens of thousands of displaced residents, many casualties and the declaration of martial law, began when Philippine authorities were closing in on arresting Isnilon Totoni Hapilon (QDi.204), leader of an Abu Sayyaf Group (ASG) (QDe.001) faction[63] that is loyal to ISIL. Hapilon is the so-called "emir" of ISIL in the Philippines.[64] He

[53] Member State information.
[54] Member State information.
[55] Member State information.
[56] Member State information. ISIL propaganda focusing on South-East Asia also increased in 2016 compared with 2015.
[57] Singapore, Ministry of Home Affairs, "Singapore terrorism threat assessment report 2017", 1 June 2017. Available from www.mha.gov.sg/newsroom/press-releases/Pages/Singapore-Terrorism-Threat-Assessment-Report-2017.aspx.
[58] Member State information.
[59] Member State information.
[60] Member State information.
[61] Member State information. One or both of the brothers may have been killed in the fighting in Marawi.
[62] Member State information. Many members of the group have been killed in the fighting in Marawi.
[63] It is notable that Hapilon was not able to unite all of the Abu Sayyaf Group (ASG) (QDe.001) factions under the ISIL umbrella.
[64] The June 2017 issue of ISIL propaganda magazine *Rumiyah*, which focused on the Philippines, included an interview with Hapilon and referred to him as the "amir of the soldiers of the Khilafah in East Asia".

and his faction made the strategic decision to leave the small island of Basilan and seek refuge in the Maute stronghold of Marawi.[65] In order to impede the arrest of Hapilon, the Maute Group launched an offensive there.[66]

60. As indicated in the Team's previous report, the Maute Group was involved in the Davao City bombing (see S/2017/35, para. 60). In addition, the group is believed to be behind the attempted bombing of the United States Embassy in Manila in November 2016, which was intended to showcase their reach and impress the ISIL core.[67]

61. Ansarul Khilafah Philippines, another group involved in the Davao City bombing, has been weakened following the death of its leader Mohammad Jaafar Maguid (alias Tokboy) (not listed) in an operation conducted by Philippine authorities in early 2017.[68]

62. The ISIL threat in Indonesia emanates from several groups, most notably the umbrella organization Jamaah Ansharut Daulah (JAD), which comprises groups loyal to ISIL and has been implicated in several attacks in Indonesia since January 2016 (see S/2017/467, paras. 30-31).

63. The siege of Marawi City has raised the international profile of ISIL-linked groups in the Philippines and could attract even more fighters to the country, heightening concerns about returnees and relocators from the Syrian Arab Republic and Iraq, as well as those heeding the call to join ISIL in the Philippines in the event that travelling to Syria or Iraq were not feasible (see S/2016/830, para. 20).

64. As mentioned in the previous report, South-East Asia already attracts foreign terrorist fighters (see S/2017/35, para. 63). According to Member State information, in addition to Malaysians and Indonesians, fighters from North Africa, the Middle East, the North Caucasus region of the Russian Federation and even Central America have died in fighting in the southern Philippines.[69] In certain instances, foreign terrorist fighters apprehended near the Syrian Arab Republic have specifically requested to be deported to South-East Asia (see S/2017/35 para. 63). Once fighters arrive in one of the countries of South-East Asia, the porous nature of the maritime borders in the region allows movement between the Philippines, Indonesia and Malaysia without detection.[70]

65. In addition to local sources of income from criminal activities, such as kidnapping for ransom, extortion, theft and smuggling (see S/2017/35, para. 61), external funding is flowing into the region, including from the ISIL core.[71] Furthermore, the siege of Marawi City may have yielded an increase in funds, since fighters were able to overrun a number of banks.[72]

66. Over the past several years, ISIL has replaced the Al-Qaida-linked Jemaah Islamiyah (JI) (QDe.092) as the primary source of violent extremism in the region.[73] Although JI has maintained a low profile for the better part of the past decade,[74] in more recent years it has been rebuilding and recovering its strength, as recent arrests

[65] Member State information.
[66] Member State information.
[67] Member State information.
[68] Member State information.
[69] See, Cielito M. Reganit, "Eight foreign fighters among militants killed in Marawi — Department of National Defense", *Philippine News Agency*, 1 June 2017.
[70] Member State information.
[71] Member State information.
[72] Member State information.
[73] Member State information.
[74] Nonetheless, Jemaah Islamiyah (JI) operatives were sent to fight in the Syrian Arab Republic with Al-Nusrah Front for the People of the Levant. See, for example, the narrative summary of reasons for listing of Hilal Ahmar Society Indonesia (QDe.147).

of JI operatives by Indonesian authorities demonstrate.[75] The group has also allegedly been rebuilding a covert paramilitary wing.[76] The JI network no longer has the same reach throughout South-East Asia as it did in the early 2000s and has regressed from being a regional terrorist group to a national one.[77] Nonetheless, it may be taking advantage of the security authorities' primary focus on ISIL to reorganize.[78]

III. Impact assessment

A. Impact on Islamic State in Iraq and the Levant

67. In addition to the overall reduction of the income of the ISIL core, in large part due to sustained military pressure, significant progress has been made in disrupting the flow of antiquities illegally removed from Iraq and the Syrian Arab Republic. The Team continues to receive information concerning seizures of such items by Member State authorities. In addition, the Security Council, in paragraph 17 of its resolution 2347 (2017), adopted a range of recommendations that the Team had made since 2014 and that had been agreed by the Security Council Committee pursuant to resolutions 1267 (1999), 1989 (2011) and 2253 (2015) concerning Islamic State in Iraq and the Levant (Da'esh), Al-Qaida and associated individuals, groups, undertakings and entities. Implementation of those measures by Member States has the potential to significantly aid in the disruption of the ability of terrorist groups to generate assets through illegal trade in such items. The Team will continue to work with Member States and with relevant international organizations to raise awareness of the resolution and its measures. As indicated in paragraph 22 of the resolution, the Team will contribute to the report of the Secretary-General on the implementation of the resolution, which will be submitted to the Council before the end of 2017.

68. In addition to the measures decided in resolution 2347 (2017), targeting ISIL facilitators of such trade by proposing them for listing on the sanctions list would further disrupt that aspect of ISIL finances.

69. **Given that a significant number of items illegally removed from Iraq and the Syrian Arab Republic have been seized by Member States over the past 12 months and in the light of paragraph 10 of resolution 2347 (2017), the Monitoring Team recommends that the Committee write to Member States, encouraging those that have seized smuggled antiquities and cultural artefacts directly or indirectly connected to the financing of ISIL to propose the relevant facilitators of such trade for listing under the ISIL (Da'esh) and Al-Qaida sanctions regime.**

B. Impact on the flow of foreign terrorist fighters

70. According to the assessment of Member States, the flow of foreign terrorist fighters to Iraq and the Syrian Arab Republic continued to slow from most regions over the reporting period. A small flow of individuals attempting to travel to the conflict zones from Asia remains. However, the flows do not represent significant numbers of individuals.

[75] Member State information. For example, two JI militants, Winanro and Murjiyanto (both not listed), were arrested in February 2017.

[76] Member State information. See also Institute for Policy Analysis of Conflict, "The re-emergence of Jemaah Islamiyah", 27 April 2017.

[77] Ibid.

[78] Ibid.

71. The flow of those returning to their countries of origin and those relocating from the conflict zones to other regions, including other regions of conflict, is continuing (see S/2017/35, paras. 74-75). In particular, the flow of relocators entails the risk of the threat spreading outwards from the conflict zones in Iraq and the Syrian Arab Republic, thereby potentially exacerbating already fragile situations in other regions.

72. **The Monitoring Team recommends that the Committee write to Member States to alert them to the relocator issue and to encourage those that have not yet done so, in accordance with their national laws and regulations, to engage with their relevant domestic authorities and private sector players, including financial institutions, in order to raise awareness of foreign terrorist fighters transferring to a third country rather than returning to their country of nationality or staying within the conflict zones.**

73. Within Member States, various domestic agencies and authorities are responsible for gathering and analysing data concerning foreign terrorist fighters and returnees. That presents a challenge for Member States wishing to exchange information with new partners, since it is not necessarily clear which authority in the partner country is responsible for the issue.

74. **Therefore, the Monitoring Team recommends that the Committee write to Member States to encourage those that have not yet done so, in accordance with their national laws and regulations, to nominate a focal point for the issue of foreign terrorist fighters and returnees in order to facilitate the exchange of relevant information among Member States. These new focal points could be modelled on the existing focal points for sanctions in Member States.**

IV. Sanctions measures

A. Asset freeze

Customs

75. The Team has begun to engage with customs agencies and relevant international organizations, in particular the World Customs Organization and the United Nations Office on Drugs and Crime, to raise awareness of the application of the asset freeze to the international movement of goods. In that regard, the Team participated in several meetings and workshops for Member State customs officials.

76. It should be emphasized that the asset freeze applies broadly to any kind of economic resource, including goods subject to international trade. It also applies to direct and indirect transactions (see resolution 2253 (2015), para. 2 (a)). Customs agencies should be attentive not only to shipments of goods to or from listed individuals or entities, but also to those shipments that may be addressed to an unlisted intermediary and that ultimately benefit listed individuals or entities.

77. Analysis of the flow of goods by customs agencies also can be a source of information or early warning concerning the potential movement of relevant individuals. This could apply in cases where goods are shipped prior to an individual's travel or when a customs agency receives information concerning the flow of goods (for example, those shipped by maritime container) significantly before border control agencies receive information concerning the simultaneous movement of related individuals.

78. The Team has learned that in some cases, customs agencies, in particular when they are not integrated into the national system for anti-money-laundering and countering the financing of terrorism, do not have sufficient clarity concerning their precise role in implementing an asset freeze. Therefore, there is a risk that customs

agencies may not verify the potential presence of listed individual or entities in the related supply chain.

79. **The Monitoring Team recommends that the Committee write to Member States asking those that have not yet done so to raise awareness among customs agencies about their crucial role in preventing the direct or indirect provisions of goods to, and in freezing goods controlled directly or indirectly by, listed entities and individuals.**

80. In order to effectively carry out controls, customs agencies depend on the availability of information concerning individuals and entities acting on behalf of or in the name of listed individuals and entities. The Team has often noticed challenges at the national level in the sharing of such information between customs and the relevant law enforcement, intelligence and security agencies.

81. **The Monitoring Team recommends that the Committee write to Member States to encourage those that have not yet done so, in accordance with their national laws and regulations, to explore measures, such as creating a dedicated intelligence unit, to enhance the sharing of information between customs agencies and relevant law enforcement, intelligence and security agencies.**

82. The Global Container Control Programme of the World Customs Organization and the United Nations Office on Drugs and Crime tries to address that challenge. The Programme aims to assist Governments in establishing effective container selections and controls to prevent illicit cross-border activities by creating inter-agency port control units that consist of risk analysis and physical inspection teams from different law enforcement agencies, including customs, police and intelligence agencies. Currently, 18 funded countries and 36 operational countries participate in the programme in regions such as West, North and East Africa, Central, South and South-East Asia, the Middle East and the western Balkans. The port control units are equipped to exchange information with counterparts in other countries using a secure communications application developed by the World Customs Organization.

83. **The Monitoring Team recommends that the Committee write to Member States to encourage those that have not yet done so to participate in, or fund, the Global Container Control Programme of the World Customs Organization and the United Nations Office on Drugs and Crime.**

Kidnapping for ransom

84. Although it has been over three years since the Security Council adopted its resolution 2133 (2014), in which it called upon Member States to prevent ransom payments from benefiting terrorist groups, kidnapping for ransom continues to be a key method for a number of listed terrorist groups to raise funds and ensure their survival.

85. For many Security Council-listed groups, including ASG,[79] AQIM, the Al-Qaida core, Boko Haram, ANF, AQAP, Al-Shabaab and ISIL, ransoms appear to be, or were in the past, a significant source of funding.[80] Although ISIL revenue from kidnapping has decreased since its peak in 2014 (see S/2014/770, para. 51), it risks increasing in the coming years as the marginal benefits of kidnapping for ransom rise, other sources of income decline and humanitarian workers and journalists re-enter liberated areas (see S/2017/35, para. 24). Since 2008, listed terrorists, including Al-Qaida, ISIL and affiliates and allies of both groups, have generated well over $220 million in ransom

[79] Member State information. In 2016, ASG increasingly resorted to maritime kidnappings.
[80] Member State information.

payments.[81] Ransoms are windfalls for listed terrorist groups, many of which do not have other reliable sources of income.[82]

86. In its resolution 2253 (2015) and its previous resolutions, the Security Council has long confirmed that the payment of ransoms to listed groups is a violation of the asset freeze.

87. **Therefore, the Monitoring Team recommends that the Committee write to Member States to highlight that ransom payments remain one of the main methods for listed terrorist groups to obtain funding and remind them that paying ransoms to listed groups violates the ISIL (Da'esh) and Al-Qaida sanctions regime, regardless of how or by whom the ransom is paid.**

B. Travel ban

88. The Team continued to cooperate with Member States, the International Civil Aviation Organization, the International Air Transport Association and the Counter-Terrorism Implementation Task Force on several workshops for Member States officials on the implementation of advance passenger information systems. During visits to Member States, the Team continued to raise awareness concerning paragraph 9 of Security Council resolution 2178 (2014) and discussed challenges that Member States face when implementing advance passenger information systems.

89. The Team also consulted with INTERPOL on that organization's work on counter-terrorism, including the global foreign terrorist fighter database. INTERPOL highlighted its development of a new facial recognition capability that can be used as an investigative tool by Member States.[83] Although the tool is currently not available for the use of front-line officers at border checkpoints, it allows Member States investigating individuals to send pictures to INTERPOL, which will use its facial recognition software to electronically compare those pictures to the pictures in its facial recognition database, which includes all pictures of Notices, including pictures available in the INTERPOL foreign terrorist fighter database and in the INTERPOL-United Nations Security Council Special Notices. This new capability of INTERPOL allows the biometric identification of individuals. In addition, INTERPOL maintains a fingerprint database,[84] which also includes the fingerprints that are included in the Special Notices. It therefore remains important that Member States include pictures and fingerprints of the individuals in question when proposing new listings.

90. Since those biometric capabilities can also be used for the identification of individuals included in the INTERPOL foreign terrorist fighter database, and since that database is an important global tool that assists Member States in stemming the flow of foreign terrorist fighters, returnees and relocators, it is important that Member States submit biometric information when proposing individuals to be included in that global database.

91. **The Monitoring Team recommends that the Committee write to Member States to highlight the ability of INTERPOL to automatically match pictures and fingerprints and encourage those that have not yet done so, in accordance with their national laws and regulations, to include biometric data when submitting information on individuals flagged as foreign terrorist fighters to be included in the INTERPOL database.**

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[81] Member State information.

[82] Member State information.

[83] Information concerning the new capability is available from www.interpol.int/INTERPOL-expertise/Forensics/Facial-recognition.

[84] Information concerning the database is available from www.interpol.int/INTERPOL-expertise/Forensics/Fingerprints.

92. During various country visits, the Team engaged representatives of the International Organization for Migration, who briefed the Team on the organization's Migration Information and Data Analysis System (MIDAS). The system allows Member States to collect, process, store and analyse traveller information, including information pertaining to migrants. The system can also capture biographic, biometric, entry and exit, visa, vehicle, flight and vessel data.[85] The system captures data that allow for the identification of listed individuals. In addition, the system could be used by Member States to identify foreign terrorist fighters, returnees and relocators.

C. Arms embargo

93. The continuing flow of arms and ammunition to listed groups remains a serious concern for Member States and the international community. The situation is caused by porous borders, the inadvertent diversion of arms and the difficulties Member States in conflict zones have in maintaining sustained control of the weapons used by their military forces.

94. For example, according to several Member States, arms and ammunition looted in Libya continue to be one of the significant sources for Al-Qaida and ISIL affiliates in North and West Africa and the Sahel. Member States highlighted that the most important suppliers of arms remain criminal networks in Libya, located between Benghazi, Misratah and Sirte. Those smuggling networks supply a range of groups, including ISIL and Al-Qaida affiliates.

95. Some Member States expressed concern over the use of air transport by foreign terrorist fighters and cash couriers and the lack of controls, leading to potential violations in the private air traffic sector.

96. During the reporting period, several Member States also outlined the use of various types of drones by ISIL. The use of drones by ISIL was first reported by the Monitoring Team in 2014 (see S/2014/815, para. 49). Member States have highlighted the increasingly creative use of drones and related kits by ISIL, primarily in Iraq and the Syrian Arab Republic. The drones identified on the battlefield in Iraq and the Syrian Arab Republic are mainly commercially available models.[86] According to the assessment of several Member States, ISIL is developing the capability to design and construct larger drones, which will increasingly enable the group to weaponize the drones, thereby increasing its ability to strike at a distance.

97. The use of drones by Al-Qaida affiliates is not entirely new.[87] However, ISIL has demonstrated sophistication in the use of drones. Given that "successful" methodologies tend to proliferate from one conflict zone to others, it is important to attempt to counter the use of drones by ISIL more effectively.

98. **The Monitoring Team recommends that the Committee write to all Member States to highlight this trend and the risk that the use of drones may spill over into other conflict zones and to encourage those that have not yet done so, in accordance with their national laws and regulations, to highlight this risk to their relevant business stakeholders in the field and encourage the exercise of enhanced due diligence when exporting such devices to conflict zones in which ISIL- and Al-Qaida-affiliated groups operate, in particular in Iraq and the Syrian Arab Republic.**

[85] Additional information is available from www.iom.int/sites/default/files/our_work/DMM/IBM/updated/MIDAS-brochure-3v1-en.pdf.

[86] According to Member States, the cost of the drones ranges between $100 to $1,000.

[87] According to information provided to the Monitoring Team, the first time an Al-Qaida affiliate used drones was in 2012.

D. Sanctions list

99. The Team has received regular updates from the Secretariat and recently was informed that the development of the data model approved by the Committee in 2011, as requested by the Security Council in paragraph 48 of its resolution 2253 (2015), is now complete. During the development process, the Team made several suggestions, including concerning the importance of ensuring that the new data model ensures that the data on listed individuals are compatible with advance passenger information systems in order to further facilitate the checking done by Member States pursuant to paragraph 9 of resolution 2178 (2014).

100. **The Team commends that achievement and recommends that the Committee request the Secretariat, after briefing the Committee on the features of the enhanced data model and the next steps required to ensure a smooth transition from the current model, to take measures to promote the enhanced data model for use by the relevant Member State authorities and by end users in the financial, civil aviation and other relevant sectors.**

101. In addition to the technical innovation in the new data model, it will also remain important that the sanctions list continues to be compatible with simpler software formats. Some Member States and private sector stakeholders still use Excel or printed versions of the list to check and match list entries. Therefore, the advancement to a new and more developed data model should ideally not neglect the needs of such implementers.

V. Team activities and feedback

102. Between January and June 2017, the Team conducted 19 country and technical visits. It continued to promote the sanctions regime through its participation in 32 international conferences, meetings and workshops, including those of the United Nations Office on Drugs and Crime, the European Union, the Global Counterterrorism Forum and the Organization for Security and Cooperation in Europe. The Team also held three regional meetings of intelligence and security services focusing on the threat posed by ISIL, Al-Qaida and associated individuals and entities in East Africa, the Nordic countries and North Africa and the Middle East. The Team raised awareness among the participating services concerning the potential use of the sanctions regime as an integral part of a national counter-terrorism strategy and encouraged more intensive sharing of information in each region to counter the threat.

103. The Team continued its engagement with entities and associations in the financial, energy, antiquities trading and information and communications technology (ICT) sectors as well as the academic community. During the reporting period, the Team continued to engage private sector stakeholders in the ICT sector and participated in several workshops and a special meeting organized by the ICT for Peace Foundation and the Counter-Terrorism Committee Executive Directorate. During those events, the Team raised awareness of the provisions of the sanctions regime and the sanctions list. The Team cooperates closely with the Counter-Terrorism Committee Executive Directorate in the production of mandated reports of the Secretary-General (see resolution 2253 (2015), para. 97). The Team remains an active member of the Counter-Terrorism Implementation Task Force, participating in its working groups and various workshops. The Team actively cooperates with the Financial Action Task Force (FATF) and the FATF-style regional bodies. The Team also participates in the Counter-ISIL Finance Group and the foreign terrorist fighter working group of the Global Coalition against Daesh.

104. The Team welcomes feedback on the present report through 1267mt@un.org.

Annex

Litigation by or relating to individuals on the sanctions list

1. The legal challenges involving individuals and entities on the ISIL (Da'esh) and Al-Qaida Sanctions List, or whose names the Committee has removed therefrom, that are known to be pending or to have been recently concluded are described below.

European Union

2. The action brought by Al-Bashir Mohammed Al-Faqih, Ghunia Abdrabbah, Taher Nasuf and Sanabel Relief Agency Limited (all delisted) against the European Commission was dismissed by the General Court of the European Union.[1] The General Court found that the Commission had carried out its obligation to carefully and impartially examine whether the reasons for listing were well-founded in the light of the comments made by the parties and the evidence provided. The General Court also found that Sanabel Relief Agency Limited did not have an interest in the proceedings because it had ceased to exist. On 15 June 2017, the Court of Justice of the European Union dismissed the appeal by the parties of the General Court's judgment.[2]

Pakistan

3. The action brought by the Al Rashid Trust (QDe.005) regarding the application of the sanctions measures against it remains pending in the Supreme Court of Pakistan, on appeal by the Government of an adverse decision in 2003. A similar challenge brought by Al-Akhtar Trust International (QDe.121) remains pending before a provincial high court.[3]

4. In addition to the two cases mentioned above, a trustee of Pakistan Relief Foundation (listed as an alias of Al-Akhtar Trust International (QDe.121)) has challenged the freezing of his bank account.[4]

United Kingdom of Great Britain and Northern Ireland

5. The United Kingdom is defending judicial review challenges to its decision-making with regard to the designations under this sanctions regime of Abdulbasit Abdulrahim, Abdulbaqi Mohammed Khaled and Maftah Mohamed Elmabruk (all delisted). The cases are currently proceeding with hearings related to the use of closed evidence.[5]

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[1] Judgment of the General Court of the European Union (Seventh Chamber), case T-134/11, *Al-Faqih and Others v. Commission*, 28 October 2015.

[2] Judgment of the Court of Justice of the European Union (Eighth Chamber), case C-19/16P, *Al-Faqih and Others v. Commission*, 15 June 2017.

[3] Information provided by Pakistan.

[4] Information provided by Pakistan.

[5] Information provided by the United Kingdom.